

### **DETAILED ACTION**

This communication is a First Action Non-Final on the merits. Claims 1-5, as originally filed, are currently pending and have been considered below.

#### ***Claim Rejections - 35 USC § 112***

1. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

2. Claims 2-5 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 2 and 4 disclose the limitation "summarizing legal documents in business terms". It is unclear as to what are considered business terms. The specification fails to disclose the requirements used to determine whether a document meets the business terms requirements.

The term "readily understandable" in claim 4 is a relative term which renders the claim indefinite. The term "readily understandable" is not defined by the claim, the specification does not provide a standard for ascertaining the requisite degree, and one of ordinary skill in the art would not be reasonably apprised of the scope of the invention. Therefore, the limitation business terms being readily understandable by corporate officers, directors, and managers are rendered indefinite.

Claims 3 and 5 are dependent from Claim 2; the claims contain the same deficiencies as stated above.

***Claim Rejections - 35 USC § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 1-5 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sprague (1990) in view of Stafford Frey Cooper (April 15, 2001; herein known as "Stafford").

**As per Claims 1 and 2**, Sprague discloses a system and method for providing automated legal audits for a business (Page 774, discloses an automated legal audit used to analyze the current status of a business) comprising: a data processing system having at least one computer (Page 775, discloses the ability to use the system from multiple computers or terminals) and a user interface which is defined as the part of the design of a computer or other device or program that accepts commands from and returns information to the user by *Encarta® World English Dictionary [North American Edition]* © & (P)2007 Microsoft Corporation. All rights reserved. Developed for Microsoft by Bloomsbury Publishing Plc. (Page 777, via the online system searching and retrieving statutory and case law based upon a boolean search entered by the user and providing the documents to the user), with software running on the computer for providing at least one user with information relating to a legal audit (Page 775, discloses software considerations), and wherein the data processing system further includes a

database of the records having automated categorization of records in an index and/or a spread sheet (Page 777, discloses a stored indexed database of applicable statutory and case law), wherein the index and/or the spreadsheet are searchable by an authorized user of the system (Page 777, discloses a hypertext-based procedure to search the stored database);

reviewing legal documents relating to a company's business, wherein said documents are contained in electronic format in the data processing system or database (Page 775, discloses the system having a hypertext feature which can automatically implement itself within on-line and stored information which is accessed by the user to allow the user to more effectively review that information);

summarizing legal documents in business terms (Page 776, discloses providing information, such as definitions of legal and business terms and applicable case law on particular legal issues identified during the legal audit interview);

advising the board of directors and corporate officers and managers, thereby providing the company advance notice in order to take action(s) to minimize and/or to avoid litigation and to reduce legal costs for the company (Page 773, discloses generating a report which identifies and details the legal issues which should be addressed in order to comply with existing laws and regulations in order to avoid potential legal problems and (Page 774) reviewing the report with the client).

However, Sprague fails to explicitly disclose providing information selected from a group consisting of records of the company's business transactions, minutes of board of directors meetings, contractual agreements, licensing agreements, supplier and

vendor agreements, purchase orders, partnership agreements, communications with competitors, intellectual property documents and registrations; and overseeing the organization of all important legal documents.

Stafford discloses a legal audit with the concept of providing information selected from a group consisting of records of company's business transactions, minutes of board of directors meetings, contractual agreements, licensing agreements, supplier and vendor agreements, purchase orders, partnership agreements, communications with competitors, intellectual property documents and registrations; and overseeing the organization of all important legal documents (discloses reviewing all significant business transactions, minutes and resolutions from board meetings, contracts, leases, and other agreements); and overseeing the organization of all important legal documents (discloses checking the status of a company's state license and registration, making sure the periodic filings with government agencies been taken care of on schedule).

Therefore, from the teaching of Stafford, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the automated legal audit system of Sprague to include providing information selected from a group consisting of records of the company's business transactions, minutes of board of directors meetings, contractual agreements, licensing agreements, supplier and vendor agreements, purchase orders, partnership agreements, communications with competitors, intellectual property documents and registrations; and overseeing the

organization of all important legal documents as taught by Stafford in order to ensure the company is in compliance and maintains compliance with the applicable laws.

**As per Claim 3**, Sprague discloses the claimed invention as applied to Claim 2, above. However, Sprague fails to explicitly disclose corporate documents including bylaws, minutes of meetings for the board of directors, other corporate officers, and/or managers.

Stafford discloses a legal audit with the concept of corporate documents including bylaws, minutes of meetings for the board of directors, other corporate officers, and/or managers (discloses reviewing corporate documents such as minutes and resolutions from board meetings).

Therefore, from the teaching of Stafford, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the automated legal audit system of Sprague to include corporate documents including bylaws, minutes of meetings for the board of directors, other corporate officers, and/or managers as taught by Stafford in order to ensure the company is in compliance and maintains compliance with the applicable laws.

**As per Claim 4**, Sprague discloses business terms being readily understandable by corporate officers, directors, and managers (Page 776, discloses providing more detailed information such as definitions of legal and business terms and applicable case law on particular issues identified).

**As per Claim 5**, Sprague discloses advising regarding select issues, matters, and areas of potential litigation (Page 773-774, discloses advising the client of the basic

legal issues applicable to the client's business, and providing recommended courses of action).

### ***Conclusion***

5. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Krachman (US 2004/0199555) discloses a method for providing for providing information on computer databases and archives using artificial intelligence to recover legally relevant data.

6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to FONYA LONG whose telephone number is (571)270-5096. The examiner can normally be reached on Mon-Thur 7:30am-6:00pm EST.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Janice Mooneyham can be reached on (571) 272-6805. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3689

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FML

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